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Flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development

Report of the Secretary-General

Summary

The present report responds to a request made by the Commission on Population and Development at its twenty-eighth session, in its proposed agenda, for an annual report on the flow of financial resources for assisting in the implementation of the Programme of Action of the International Conference on Population and Development. The report also complies with General Assembly resolutions 49/128 and 50/124, in which the Assembly called for the preparation of periodic reports on the flow of financial resources for assisting in the implementation of the Programme of Action.

The report examines levels of donor and domestic expenditures for population activities in developing countries for 2010 and provides estimates for population expenditures in 2011 and projections for 2012. Donor assistance, which has been increasing steadily over the past few years, is showing definite signs of slowing down: it stood at $10.6 billion in 2009 and increased slightly to $10.7 billion in 2010. Donor assistance is projected to increase somewhat, to $11.4 billion in 2011 and to $11.9 billion in 2012.

A rough estimate of resources mobilized by developing countries as a group yielded a figure of $33.7 billion for 2010. The 2011 and 2012 figures are expected to follow the same pattern, increasing to $35 billion in 2011 and to $38 billion in 2012.

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While the Programme of Action established that one third of funding would be borne by external sources and two thirds by developing countries, the actual situation reveals that developing countries are funding just over three fourths of population expenditures and that private consumers in those countries are spending over half of domestic resources through out-of-pocket expenditures. This has important implications with regard to access, reaching the most marginalized and the pace of progress in achieving key indicators.

Despite modest increases, current funding levels are below the amounts necessary to fully implement the Programme of Action and achieve the Millennium Development Goals. This is true for all four components of the population package costed under the International Conference on Population and Development: family planning; basic reproductive health; sexually transmitted diseases/HIV/AIDS prevention activities; and basic research, data and population and development policy analysis. Given the current financial scenario, it is not likely that this situation will improve in the near future.

Contents

		Page
I.	Introduction	4
II.	International assistance to population activities	5
	A. Bilateral assistance to population activities	6
	B. Multilateral assistance to population activities	7
	C. Private assistance to population activities	8
III.	Expenditures for population activities	8
	A. Expenditures for population activities by geographic region	9
	B. Expenditures for population activities by category of activity	9
	C. Expenditures for population activities by channel of distribution	11
IV.	Domestic expenditures for population activities	11
	A. Methodology	11
	B. Estimates and projections of domestic expenditures	12
	C. Components of domestic funding for population activities	13
V.	Funding requirements to achieve the objectives of the International Conference on Population and Development	14
VI.	Major challenges in implementing the financial targets of the International Conference on Population and Development	18
VII.	Conclusion	18
	A. Progress in resource mobilization	18
	B. The way forward	19

I. Introduction

1. The present report has been prepared by the United Nations Population Fund (UNFPA) in response to a request by the Commission on Population and Development at its twenty-eighth session,[1] for an annual report on the flow of financial resources for assisting in the implementation of the Programme of Action adopted at the International Conference on Population and Development in Cairo in 1994.[2] The report is part of the programme of work of the Commission and is submitted in accordance with General Assembly resolutions 49/128 and 50/124, in which the Assembly called for the preparation of periodic reports on the flow of financial resources for assisting in the implementation of the Programme of Action.

2. The report reviews the flow of funds from donor countries for population assistance in developing countries[3] and provides estimates of governmental and non-governmental expenditures for population activities in developing countries for 2010. It also includes donor and developing country estimates for 2011 and projections for 2012. Data collection activities for both donor and domestic resource flows were undertaken by the Netherlands Interdisciplinary Demographic Institute under a contract with UNFPA. To build regional capacity to monitor resource flows, UNFPA and the Demographic Institute also work with the Indian Institute of Health Management Research in the collection of data on domestic expenditures and, since 2011, with the African Population and Health Research Center. Evaluation and analysis of data have been carried out jointly by UNFPA and the Demographic Institute.

Methodology

3. A detailed questionnaire was mailed to 125 key actors in the field of population and AIDS research, including major multilateral organizations and agencies, large private foundations and other non-governmental organizations (NGOs) that provide substantial amounts of population assistance, and the donor countries to the Development Assistance Committee of the Organization of Economic Cooperation and Development (OECD). To decrease respondent fatigue, coordinate monitoring of resource flows and ensure consistency in reporting, as much information from donor countries as possible has been obtained from the database of the Development Assistance Committee. In the absence of complete data from major donors by the publication deadline, information contained in the report is also based on estimates, taking into account past funding behaviour.

4. Information on domestic resource flows is based on data supplied by Governments and non-governmental organizations in developing countries throughout the world, secondary sources and estimations and projections.

5. The external and domestic financial resource flows for population activities analysed in the report are based on the "costed population package", as specified in paragraph 13.14 of the Programme of Action. The package comprises family

[1] See *Official Records of the Economic and Social Council, 1995, Supplement No. 7* (E/1995/27), annex I, sect. III.

[2] *Report of the International Conference on Population and Development, Cairo, 5-13 September 1994* (United Nations publication, Sales No. E.95.XIII.18), chap. I, resolution 1, annex.

[3] All references to developing countries in the present report include countries with economies in transition.

planning services; basic reproductive health services; sexually transmitted diseases/HIV/AIDS prevention activities;[4] and basic research, data and population and development policy analysis.

II. International assistance to population activities

6. Donor assistance to population activities continues to increase, although at a slower rate than in the past. After surpassing $10 billion in 2008, assistance increased slowly in 2009 and 2010. Donor assistance stood at $10.6 billion in 2009. The provisional figure for 2010 is $10.7 billion (see table 1). Funding was expected to increase to $11.4 billion in 2011 and to reach $11.9 billion in 2012. With a number of donors still in the grips of the global financial crisis, it is likely that the final figures for 2011 and 2012 will be below the estimates set out in table 1.

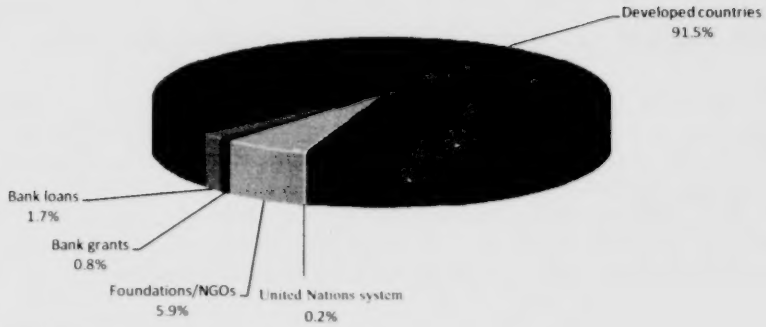
Table 1
International population assistance by major donor category: 2009-2012
(Millions of United States dollars)

Donor category	*2009*	*2010 (Provisional)*	*2011 (Estimated)*	*2012 (Projected)*
Bilateral assistance				
Developed countries	9 579	9 801	10 417	10 834
Multilateral assistance				
United Nations system	36	20	40	42
Grants from development banks	95	86	106	110
Loans from development banks	295	177	177[a]	177[a]
Private assistance				
Foundations/NGOs	622	632	693	718
Subtotal without bank loans	**10 332**	**10 539**	**11 256**	**11 704**
Total	**10 628**	**10 716**	**11 433**	**11 881**

[a] The 2011-2012 figures for development bank loans are estimated at the 2010 level.
Source: UNFPA, 2011, *Financial Resource Flows for Population Activities in 2009* and Resource Flows Project database.
Note: Totals may not add up due to rounding.

[4] Beginning with the 1999 round of questionnaires, the UNFPA/Netherlands Interdisciplinary Demographic Institute Resource Flows Project has included data on HIV/AIDS treatment and care in order to address the growing reporting needs of the Joint United Nations Programme on HIV/AIDS (UNAIDS) and because it was increasingly becoming impossible for respondents to provide information on HIV/AIDS prevention activities alone. Since 2008, in order to ensure one AIDS figure, all data on HIV/AIDS expenditures have been obtained directly from UNAIDS using the broader definition of AIDS.

Figure I
Population assistance by source: 2010



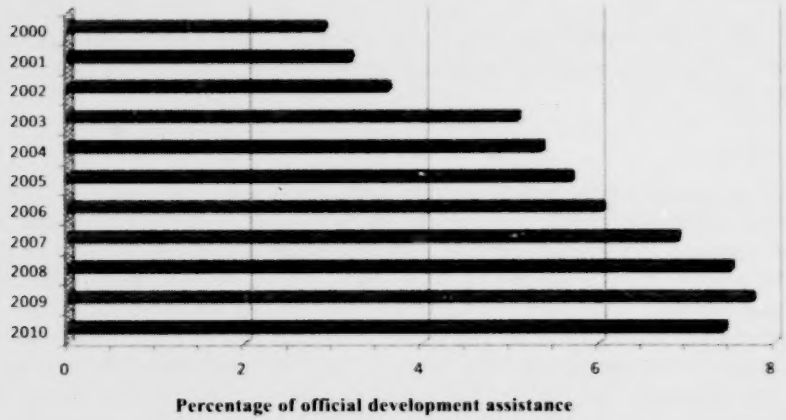
Source: Resource flows project database (figures are provisional).
Note: Totals may not add up due to rounding.

A. Bilateral assistance to population activities

7. Donor countries traditionally provide the largest share of population assistance. In 2010, bilateral assistance was estimated at $9.8 billion, an increase from just under $9.6 billion in 2009. Despite the financial difficulties faced by a number of donor countries, total population assistance continued to increase, although not at the same levels seen earlier. It is estimated that once all data are in population assistance from donor countries could reach $10.4 billion in 2011. Projections for 2012 place this figure at $10.8 billion, assuming a continuing upward trend.

8. According to the latest OECD figures, official development assistance (ODA) increased to $128.5 billion in 2010 from $119.7 billion in 2009. The percentage of total ODA that donor countries, as a group, contributed to population assistance decreased to 7.46 per cent in 2010 from 7.78 per cent in 2009 (see figure II). There are significant variations from 0.62 per cent to 16.93 per cent, between countries in the percentage of ODA spent on population activities.

Figure II
Population assistance of donor countries as a percentage of official development assistance: 2000-2010



Source: UNFPA, 2011, *Financial Resource Flows for Population Activities in 2009*, and Resource Flows Project database.
Note: Data for 2010 are provisional.

B. Multilateral assistance to population activities

9. Multilateral assistance to population activities consists of contributions provided by the organizations and agencies of the United Nations system and grants and loans provided by development banks.

United Nations system

10. Multilateral assistance originating from within the United Nations system mainly consists of funds from UNAIDS, UNFPA and the World Health Organization (WHO). Whatever funding United Nations agencies receive for population assistance from donor countries to the Development Assistance Committee is considered to be bilateral assistance. General funds of United Nations agencies not earmarked for population activities, interest earned on funds and money from income-generating activities that are spent on population activities are considered as multilateral assistance. Funds received from developing countries that agencies spend on population activities are a small portion of an agency's budget and are also included as multilateral assistance. Provisional figures for multilateral assistance originating with the United Nations system show a continued decrease, from $36 million in 2009 to $20 million in 2010. This could partially be a result of the economic slowdown and partly due to the fact that a number of United Nations agencies did not provide information by the deadline for the publication of the present report.

11. UNFPA is the leading provider of United Nations assistance in the population field, providing support to 123 developing countries in 2010. UNFPA relies on voluntary contributions and follows its strategic plan 2008-2013, the goal of which is to accelerate progress towards realizing the Programme of Action and the Millennium Development Goals, focusing on three key areas: population and

development; reproductive health and rights; and gender equality. The plan is results-based and specifies anticipated outcomes and indicators to measure results.

Bank grants

12. In 2010, the World Bank, the only development bank reporting expenditures for special grants programmes in population, decreased the total amount of its grants to $86 million.

Bank loans

13. Development banks, which provide loans to developing countries, are an important source of multilateral population assistance. Their contributions are treated separately from grants because such assistance is in the form of loans that must be repaid. Projects funded by bank loans reflect multi-year commitments, which are recorded in the year in which they are approved but are in fact disbursed over several years. Most loans for population assistance come from the World Bank, which supports reproductive health and family planning service delivery, population policy development, HIV/AIDS prevention and fertility and health survey and census work. In 2010, the World Bank provided $177 million in loans for population activities.

C. Private assistance to population activities

14. Foundations, NGOs and other private organizations are also important sources of population assistance. In 2010, it is estimated that foundations and NGOs contributed $632 million to population activities, up from $622 million in 2009. While they have been projected to increase such contributions again in both 2011 and 2012, the size of the increase will depend on how the foundations and NGOs have weathered the global financial crisis.

III. Expenditures for population activities

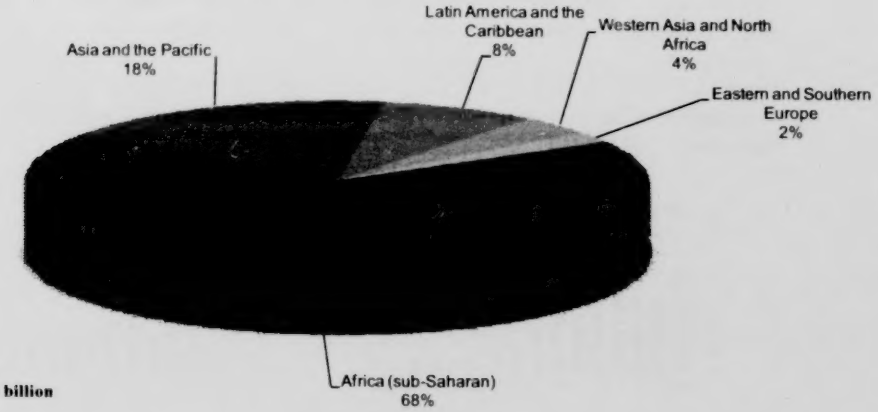
15. Figures for international population assistance reflect financial resources contributed by donors in a given year, while figures for expenditures reflect funds that have been received by developing countries in a given year. International assistance may be provided by a donor either directly to the developing country or to an intermediate donor such as a multilateral organization or international NGO. Recipients may be the Governments of developing countries, national NGOs or the field offices operated by donors in developing countries. International population assistance for a given year does not automatically equal the expenditures in that year since funds are not always spent in the same year in which they are received. This is oftentimes the case when funds are channelled through an intermediate donor. Thus, for example, funds provided by a donor to a recipient developing country in year A are included in international population assistance in year A and expenditures in year A. Funds provided by a donor to an intermediate donor in year A but spent by that intermediate donor in a recipient developing country in year B would be included under population assistance in year A and under expenditures in year B. Development bank loans are not included in expenditure figures because they reflect

large blocks of loan agreements made in a single year but intended to be spent over several years.

A. Expenditures for population activities by geographic region

16. Sub-Saharan Africa, which includes the majority of the least developed countries, continues to be the largest recipient of assistance, receiving 68 per cent of all assistance going to the five geographic regions (figure III). About 31 per cent of all population assistance goes to fund global and interregional population activities, including advocacy; research; reproductive health; HIV/AIDS prevention, care and support; and safe motherhood.

Figure III
Population assistance by geographic region: 2010



Source: Resource Flows Project database (figures are provisional).

B. Expenditures for population activities by category of activity

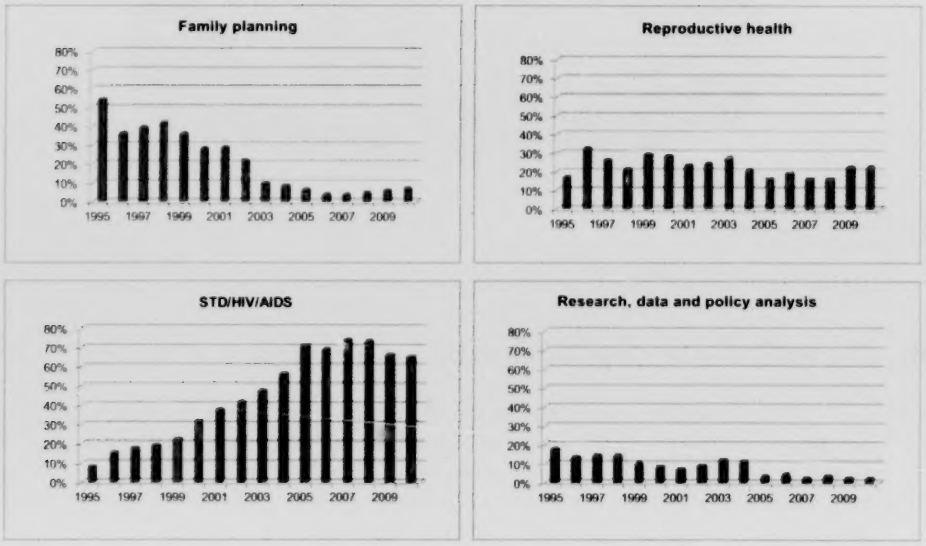
17. UNFPA monitors expenditures for population activities by the following four population categories costed under the International Conference on Population and Development: (a) family planning services; (b) basic reproductive health services; (c) sexually transmitted diseases/HIV/AIDS prevention activities; and (d) basic research, data and population and development policy analysis.

18. The growing trend towards the integration of services and the use of sector-wide approaches in development assistance is making it increasingly difficult for countries to readily distinguish between expenditures for population and other health-related activities and, within population activities, between family planning, reproductive health and sexually transmitted diseases/HIV/AIDS prevention activities. However, while precise figures may not always be available, it is still possible to estimate the amount of resources that are spent on each of the four categories of the costed population package. Monitoring expenditures for the separate categories is an important component of budgeting, policymaking and programme planning.

19. When all final figures are in, 2010 data are expected to show increases in funding for all four areas of the costed population package. This is most welcome. Funding for family planning services has lately been increasing in absolute dollar amounts and has actually surpassed the 1995 level, the year when UNFPA first began monitoring resource flows for the four costed population categories. Although funding for reproductive health and basic research activities also increased, HIV/AIDS activities continue to receive by far the most population assistance. While it is important to ensure a substantial amount of money to stop the spread of HIV/AIDS, it is also critically important to mobilize adequate resources for family planning and reproductive health, which are essential for achieving Millennium Development Goal 5, on improving maternal health, progress on which has been slower than that on the other Goals. Funding for reproductive health increased noticeably in both 2008 and 2009, and continued to increase in 2010. Funding for HIV/AIDS decreased for the first time in 2009 but provisional figures for 2010 point to an increase. Figure IV provides expenditures for population activities as a percentage of total population assistance for the four components of the costed population package from 1995 to 2010.

Figure IV

Expenditures for population activities as a percentage of total population assistance: 1995-2010



Source: UNFPA, 2011, *Financial Resource Flows for Population Activities in 2009*, and Resource Flows Project database.

C. Expenditures for population activities by channel of distribution

20. Assistance for population activities flows through a diverse network, moving from the donor to the recipient developing country through one of the following channels: (a) bilateral — directly from the donor to the recipient developing country Government; (b) multilateral — through United Nations organizations and agencies; and (c) non-governmental. The NGO channel is the predominant channel for funding. In 2010, it is estimated that about 41 per cent of population assistance was channelled through NGOs, compared to 32 per cent, which was received through bilateral channels, and 28 per cent, which came from multilateral sources. This trend is expected to continue in 2011 and 2012.

IV. Domestic expenditures for population activities

A. Methodology

21. The Programme of Action of the International Conference on Population and Development pointed out that the domestic resources of developing countries provide the largest portion of funds for attaining population and development objectives. The Programme estimated that two thirds of the funding required to finance population programmes would come from domestic resources. The mobilization of adequate domestic financial resources is therefore essential to facilitate full implementation of the agenda adopted in Cairo in 1994. UNFPA has been monitoring domestic expenditures for population activities since 1997. This has been done primarily through the use of survey questionnaires sent to UNFPA country offices throughout the world for further distribution to Government ministries and large national NGOs. Although most Governments make every effort to provide the requested information, many are often unable to supply data because of funding, staffing and time constraints. In addition, countries that do not have well-developed systems for monitoring resource flows are unable to provide information, especially when funding is pooled in integrated social and health projects and sector-wide approaches. Furthermore, most countries with decentralized Governments do not have accounting systems that can easily provide information on expenditures for population at subnational levels.

22. Total global domestic expenditures for population activities presented herein are estimated using a methodology that incorporates the responses of the surveyed countries, together with prior reporting on actual and intended expenditures and secondary sources on national spending. In the absence of such information, estimates and projections have been based on national income as measured by the level of gross domestic product (GDP), which has proved the most influential variable explaining the growth of spending by Governments.[5]

[5] See Erik Beekink, "Financial resource flows for population and AIDS activities, 2010-2012", UNFPA/UNAIDS/Netherlands Interdisciplinary Demographic Institute Resource Flows Project, The Hague, 2011.

B. Estimates and projections of domestic expenditures

23. The latest estimates and projections of global domestic expenditures for population activities for 2010-2012 are presented in table 2. The overall levels mobilized increased in 2010 and are projected to increase in 2011 and 2012. In large part this is a result of the fact that the figures are heavily influenced by a number of large booming economies that have remained generally unaffected by the global financial crisis. It is estimated that developing countries spent $33.7 billion for population activities in 2010. The largest amount was mobilized in Asia ($18.2 billion), followed by Latin America and the Caribbean ($7.5 billion), sub-Saharan Africa ($4.6 billion), Western Asia and North Africa ($2.1 billion) and Eastern and Southern Europe ($1.4 billion).

24. Domestic expenditures are estimated to have increased to $35 billion in 2011 and are projected to increase to $38 billion in 2012. Asia is expected to have mobilized the largest amount of financial resources in 2011 and to continue to do so in 2012. Latin America and the Caribbean is expected to mobilize the second largest amount of funds, followed by sub-Saharan Africa, Western Asia and North Africa and Eastern and Southern Europe.

25. It is estimated that 30 per cent of all domestic expenditures for population were spent on sexually transmitted diseases/HIV/AIDS prevention activities in 2010. This percentage varied considerably by region, from 91 per cent in Eastern and Southern Europe to 10 per cent in Western Asia and North Africa.

26. Because they are often incomplete and not entirely comparable, data on domestic resource flows are rough estimates. Such information is useful, however, in that it provides some idea of the progress being made by developing countries in achieving the financial resource targets of the Programme of Action. While the figures show a real commitment on the part of developing countries, they conceal the great variation that exists among countries in their ability to mobilize resources for population activities. Most domestic resource flows originate in a few large countries. Many countries, especially those in sub-Saharan Africa and the least developed countries, which are not able to generate sufficient resources to finance their own population programmes, rely heavily on donor assistance.

Table 2
Projection of Global Domestic Expenditures for Population Activities: 2010-2012
(Thousands of United States dollars)

	Source of funds				
Year	*Government*	*NGOs*	*Consumers*[a]	*Total*	*Percentage spent on sexually transmitted diseases/HIV/AIDS*
2010					
Africa (sub-Saharan)	2 121 709	116 735	2 321 438	4 559 382	90
Asia and the Pacific	5 160 254	177 904	12 818 072	18 156 230	12
Latin America and the Caribbean	4 266 645	77 195	3 171 390	7 515 231	30
Western Asia and North Africa	1 231 053	59 133	794 029	2 084 215	10
Eastern and Southern Europe	882 653	15 062	454 566	1 352 281	91
Total	**13 662 314**	**445 529**	**19 559 496**	**33 667 339**	**30**
2011					
Africa (sub-Saharan)	2 131 703	122 915	2 331 765	4 586 382	90
Asia and the Pacific	5 581 943	184 860	13 865 545	19 632 347	12
Latin America and the Caribbean	4 260 002	81 162	3 176 545	7 517 709	29
Western Asia and North Africa	1 272 772	60 975	820 938	2 154 684	10
Eastern and Southern Europe	889 065	15 952	457 868	1 362 885	90
Total	**14 135 484**	**465 863**	**20 652 662**	**35 254 008**	**29**
2012					
Africa (sub-Saharan)	2 138 024	127 326	2 338 297	4 603 647	90
Asia and the Pacific	6 459 091	189 930	16 044 383	22 693 404	10
Latin America and the Caribbean	4 279 324	83 825	3 191 097	7 554 247	29
Western Asia and North Africa	1 299 569	63 025	838 222	2 200 816	10
Eastern and Southern Europe	904 677	16 580	465 909	1 387 166	89
Total	**15 080 686**	**480 686**	**22 877 908**	**38 439 280**	**26**

[a] Consumer spending on population activities covers only out-of-pocket expenditures and is based on the average amount per region as measured by WHO for health-care spending in general. For each region, the ratio of private out-of-pocket versus per capita government expenditures was used to derive consumer expenditures in the case of population activities.

Source: Resource Flows Project database. See also Erik Beekink, "Financial resource flows for population and AIDS activities, 2010-2012", UNFPA/UNAIDS/Netherlands Interdisciplinary Demographic Institute Resource Flows Project, The Hague, 2011.

C. Components of domestic funding for population activities

27. Domestic funding for population activities comes primarily from Governments, national NGOs and private consumers. Governments are considered to be responsible for most domestic expenditures for population activities. However, since the level of Government funding usually depends on the level of national income, Governments in least developed countries, faced with many competing development priorities, often cannot afford to make the necessary investments in

population. They rely heavily on external funding from donors. National NGOs also contribute financial resources for population, but the majority of them are also highly dependent on international resources. Their main role lies in advocacy work and in reaching people at the grass-roots level.

28. Consumer spending as measured by out-of-pocket expenditures represents the largest part of resources spent on population activities. Private consumer expenditures account for a large percentage of total funding for health care. Although exact amounts of worldwide health-care spending for population activities are not known, it stands to reason that a significant proportion of expenditures for family planning, reproductive health and sexually transmitted diseases/HIV/AIDS services are borne by consumers. The few available sources of information on private spending reveal great variations between regions and countries and, in some cases, changes over time in the share of private spending within countries themselves. In estimating consumer spending, the Resource Flows Project used out-of-pocket health expenditures of households from the national health accounts figures as collected by WHO. The out-of-pocket health expenditures were assumed to be completely in line with out-of-pocket expenditures for population goods and services.

29. UNFPA and the Netherlands Interdisciplinary Demographic Institute are working on a strategy for the tracking of out-of-pocket expenditures for sexual and reproductive health that will provide a better understanding of this important component of domestic funding. At an expert meeting on out-of-pocket expenditures held in December 2011 current methods of tracking out-of-pocket expenditures, sharing experiences and exploring the possibilities for collecting data on such expenditures for sexual and reproductive health were discussed.

V. Funding requirements to achieve the objectives of the International Conference on Population and Development

30. To ensure adequate funding for the implementation of the Programme of Action, UNFPA reviewed the original estimates for the four categories of the costed population package and produced revised estimates to meet current needs and costs. These revised estimates, which were presented to the forty-second session of the Commission on Population and Development in 2009, are much higher than the original targets agreed upon at the International Conference on Population and Development in 1994 because they take into account both current needs and current costs and include interventions such as AIDS treatment and care and reproductive cancer screening and treatment, which were not part of the original costed population package.

31. Table 3 provides levels of funding required to achieve the objectives of the International Conference on Population and Development. In order to fully fund the necessary sexual and reproductive health, including family planning and HIV/AIDS services, as well as censuses, surveys, civil registration and population research and training, the international community would have needed to mobilize almost $65 billion in 2010. The costs are minimum estimates required to implement the goals set at the Conference in those areas. There will always be unspecified costs that fall outside the scope of the cost estimates as well as adjustments for demand generation, stock maintenance and similar expenses.

Table 3
Updated cost estimates for the implementation of the Programme of Action, by subregion: 2009-2015
(Millions of United States dollars)

	2009	*2010*	*2011*	*2012*	*2013*	*2014*	*2015*
Global	**48 980**	**64 724**	**67 762**	**68 196**	**68 629**	**69 593**	**69 810**
Sexual/reproductive health/family planning	23 454	27 437	30 712	32 006	32 714	33 284	33 030
Family planning, direct costs	2 342	2 615	2 906	3 209	3 529	3 866	4 097
Maternal health, direct costs	6 114	7 868	9 488	11 376	13 462	15 746	18 002
Programmes and systems related costs	14 999	16 954	18 319	17 422	15 723	13 672	10 931
HIV/AIDS	23 975	32 450	33 107	33 951	34 734	35 444	36 189
Basic research/data/policy analysis	1 551	4 837	3 943	2 239	1 181	864	591
Sub-Saharan Africa	**20 063**	**27 075**	**29 473**	**29 869**	**30 292**	**30 022**	**28 980**
Sexual/reproductive health/family planning	8 482	10 612	12 596	12 675	12 764	12 184	10 731
Family planning, direct costs	329	414	506	606	713	827	931
Maternal health, direct costs	1 429	1 833	2 280	2 771	3 306	3 883	4 411
Programmes and systems related costs	6 725	8 366	9 809	9 298	8 746	7 473	5 389
HIV/AIDS	11 228	15 891	16 227	16 746	17 243	17 638	18 110
Basic research/data/policy analysis	353	571	651	449	285	200	139
Asia and the Pacific	**17 549**	**23 281**	**23 923**	**23 788**	**23 862**	**24 415**	**25 245**
Sexual/reproductive health/family planning	9 055	10 278	11 027	11 753	12 124	12 820	13 533
Family planning, direct costs	1 434	1 552	1 675	1 803	1 937	2 077	2 156
Maternal health, direct costs	2 799	3 664	4 299	5 110	6 018	7 024	8 054
Programmes and systems related costs	4 822	5 062	5 053	4 840	4 169	3 719	3 323
HIV/AIDS	7 853	10 687	10 848	11 048	11 207	11 409	11 525
Basic research/data/policy analysis	641	2 316	2 048	987	530	186	187
Latin America and Caribbean	**6 366**	**7 591**	**7 439**	**7 775**	**7 699**	**7 966**	**8 320**
Sexual/reproductive health/family planning	3 132	3 401	3 627	3 837	3 922	4 119	4 347
Family planning, direct costs	310	343	378	414	452	492	518
Maternal health, direct costs	958	1 182	1 431	1 706	2 009	2 340	2 680
Programmes and systems related costs	1 864	1 876	1 818	1 717	1 461	1 286	1 150
HIV/AIDS	3 072	3 461	3 562	3 630	3 703	3 770	3 867
Basic research/data/policy analysis	162	729	250	309	74	78	106
Western Asia and North Africa	**2 795**	**3 685**	**3 418**	**3 538**	**3 501**	**3 865**	**3 721**
Sexual/reproductive health/family planning	1 852	2 009	2 130	2 232	2 258	2 339	2 415
Family planning, direct costs	178	204	231	261	292	325	346
Maternal health, direct costs	603	735	873	1 019	1 171	1 328	1 471
Programmes and systems related costs	1 071	1 070	1 025	953	796	686	598

	2009	2010	2011	2012	2013	2014	2015
HIV/AIDS	798	1 095	1 112	1 131	1 146	1 163	1 183
Basic research/data/policy analysis	145	582	177	174	97	363	123
Eastern and Southern Europe	**2 204**	**3 091**	**3 508**	**3 226**	**3 275**	**3 326**	**3 542**
Sexual/reproductive health/family planning	933	1 137	1 334	1 510	1 645	1 824	2 004
Family planning, direct costs	91	103	116	125	135	145	146
Maternal health, direct costs	324	454	605	771	960	1 171	1 386
Programmes and systems related costs	517	579	613	614	551	508	471
HIV/AIDS	1 023	1 316	1 358	1 397	1 435	1 465	1 503
Basic research/data/policy analysis	248	638	816	320	195	38	35

Source: UNFPA, 2009, *Revised Cost Estimates for the Implementation of the Programme of Action of the International Conference on Population and Development: A Methodological Report*.

Note: UNAIDS has since updated its cost estimates for HIV/AIDS expenditures to depict a scenario that reaches coverage later than the original figures presented here. For 2009, the global figure for HIV/AIDS was $20 billion. This will increase incrementally until it reaches $37 billion in 2015, slightly higher than the original estimate.

32. The costing estimates for family planning assume that the current unmet need will be satisfied in 2015, although there is likely to be greater demand for family planning as people become more aware of the options. The costing estimates for reproductive health include antenatal care, delivery care, obstetric complications care, newborn interventions, reproductive organ cancer screening and treatment as well as other maternal care interventions. Sexually transmitted diseases/HIV/AIDS costing includes prevention, treatment, care and support, including specific elements to address issues of prevention of violence against women.

33. The cost estimates for the drugs, supplies and personnel needed to achieve the goals of the International Conference on Population and Development increase significantly over time owing to the increased number of people projected to be receiving care as service coverage is scaled up as well as to underlying population increases.

34. Health systems and programme costs related to family planning and reproductive health were estimated to reflect the need for a significant investment in the health systems and planning in order to achieve the goals of universal coverage set out at the International Conference on Population and Development. Without adequate investment in health systems and programmes, it will be impossible to achieve the coverage goals. Elements included in this cost estimation include programme management, supervision, health education, monitoring and evaluation, advocacy, health system infrastructure, information systems, human resources training and commodity supply systems. The cost estimates for health systems and programmes assume that the bulk of the investment will be made between 2009 and 2013. As a result of this assumption, cost estimates for the health systems and programmes elements peak in 2011 and then begin to decline. Cost estimates also include support during humanitarian crisis situations, which pose an ongoing challenge to medical systems in many countries.

35. It is thought that total costs for sexual/reproductive health, which includes the family planning and maternal health components (including direct costs and

programme and systems costs), will be $27.4 billion for 2010, that costs will peak at $33.3 billion in 2014, decreasing slightly, to $33 billion, in 2015. Total costs for the HIV/AIDS component are estimated to be $32.5 billion in 2010 and to increase each year thereafter, until they reach $36.2 billion in 2015.[6]

36. The estimates for the basic data, research and population and development policy analysis component were obtained by summing four expenditure categories: censuses, surveys, civil registration, and research and training. Census expenditures were based on per capita census costs by subregion, which varied from $1.50 in Eastern, Middle and northern Africa to $11.70 in Southern Europe. The total was then allocated to a four-year period: 10 per cent in the year before the census, 60 per cent in the census year, and 15 per cent in each of the two years after the census. Survey costs were estimated at $1.25 or $1.50 per household, depending on the subregion, while the household sample sizes were estimated at 1 per cent, 0.5 per cent or 0.25 per cent, depending on whether the country had less than a million, from 1 to 25 million or more than 25 million inhabitants. Furthermore, it was assumed that all developing countries should have a survey of this kind once every four years.

37. For civil registration costs, it was assumed that the cost of processing each event (births, deaths, marriages and divorces) and entering such information into the statistical system is one third of the per capita census costs for each subregion. The expenditures for research and training were computed as 5 per cent of the total average annual costs of the previous three categories over the period from 2005 to 2015. The updated cost estimates for the data and research component are considerably higher than the original estimates agreed upon in Cairo in 1994, primarily because they reflect the real costs of census-taking to a much larger degree than previously. This is especially true in 2010, when total expenditures reached $4.84 billion, of which $4.41 billion was spent on census expenditures. On the whole, census expenditures make up about three quarters (75.8 per cent) of the total, surveys 6.9 per cent, and civil registration 12.5 per cent. The average annual expenditure over the seven-year period is estimated to be $2.17 billion.

38. Current funding levels for all four categories of the costed population package are considerably below what is necessary to meet the needs in developing countries. Given the uncertainty of future funding because of the global financial crisis, full implementation of the Cairo agenda may be in jeopardy. If estimates for 2010 hold, and if donors did indeed contribute around $10.7 billion and developing countries mobilized approximately $33.7 billion in domestic resources, the total amount of $44.4 billion would, nevertheless, be roughly $20 billion short of what was needed in 2010 to finance population programmes in developing countries.

39. To ensure the implementation of the goals of the International Conference on Population and Development and the achievement of the Millennium Development Goals, it is necessary to increase both donor and domestic funding in all four components of the costed population package.

[6] UNAIDS has since updated its cost estimates for HIV/AIDS expenditures, revealing a scenario that reaches coverage later than the original figures presented in table 3. The global figure for 2009 for HIV/AIDS expenditures is $20 billion. This will increase incrementally, reaching $37 billion in 2015, slightly higher than the original figure.

VI. Major challenges in implementing the financial targets of the International Conference on Population and Development

40. **Impact of global financial crisis.** The global financial crisis continues to affect the amount of resources allocated to population activities. The rate of increase in population assistance has slowed down and a number of donors that have been particularly affected by the crisis have decreased funding levels for population. Future funding levels will very much depend on the impact of the financial crisis on both donors and developing countries.

41. **Resource mobilization is dependent on a few key players.** Population assistance originates with a few major donors and the majority of domestic resources are mobilized in a few large developing countries. Most donor countries do not provide substantial funding for population activities and most developing countries are not in a position to mobilize sufficient resources to fund much needed population and AIDS programmes. Poor countries are faced with many competing development priorities and many of them cannot afford to make the necessary investments in population.

42. **Consumer spending exceeds Government and NGO expenditures for population.** Although not easy to track, the role played by consumers in spending on family planning, reproductive health and sexually transmitted diseases/HIV/AIDS is much larger than usually assumed, and in many cases it exceeds Government and NGO expenditures. Although variations exist between regions and countries, if spending on family planning, reproductive health and sexually transmitted diseases/HIV/AIDS is in line with spending on health in general, it can be assumed that consumers in developing countries pay more than half of the burden of such expenditures. Out-of-pocket spending by consumers, especially the poor, has important implications for policy initiatives aimed at reducing poverty and income inequality in the developing world.

VII. Conclusion

A. Progress in resource mobilization

43. Considerable progress has been made and funding has increased in all four components of the population package costed under the International Conference on Population and Development. This is a most welcome development. However, the financial resources currently mobilized are still not sufficient to meet today's growing needs, and current funding levels remain below what is necessary to realize the goals of the Conference and to achieve the Millennium Development Goals. This is true for all four components of the costed population package. More donor assistance and more national investments in developing countries are needed in order to meet the growing needs and costs, especially in light of the large youth population. The lack of adequate funding remains a major impediment to the full implementation of both the goals of the Conference and the Millennium Summit.

44. According to the revised cost estimates presented to the United Nations Commission on Population and Development in 2009, a total of $65 billion was needed by 2010 in order to fully fund reproductive health services, including family planning and HIV/AIDS services, as well as censuses, surveys, civil registration and

population research and training. The international community is a long way from reaching this level. This is particularly urgent given the fact that world population has reached 7 billion. Indeed, the need for funding is now greater than ever if the international community is to meet the challenges and take advantage of the opportunities that a world of 7 billion people presents.

B. The way forward

45. Increased efforts to mobilize adequate resources on the part of both donors and developing countries are essential to fully implement the agenda of the International Conference on Population and Development. Given current needs, all Governments, of both donor and developing countries, are encouraged to recommit themselves to implementing the objectives of the International Conference and to mobilizing the resources required to meet those objectives. It is important that funding for all four population categories under the Programme of Action continue to increase.

46. To accelerate the implementation of the Cairo agenda and to achieve the Millennium Development Goals, the international community should continue to ensure that population and reproductive health are seen as an integral part of the achievement of the Goals and that they figure prominently in national development programmes and poverty reduction strategies.

47. Given the limited financial resources, it is essential that donor countries, international agencies and developing countries continue to strengthen their efforts and their collaboration to avoid duplication, identify funding gaps and ensure that resources are used as effectively and efficiently as possible. Coordinating donor financing policies and planning procedures will help to enhance the impact and cost-effectiveness of contributions to population programmes.

48. The private sector has an important role to play in the mobilization of resources for population and development, in monitoring population expenditures and in ensuring that financial targets and equity objectives are met. Civil society, especially women's NGOs, can play an important role in trying to ensure that Governments achieve financial targets and equity objectives and that resources reach all segments of the population, especially those that are most in need.

49. The price may be high, but the cost of not mobilizing adequate financial resources is much higher. It is not counted in dollars or local currencies, but in infant, child and maternal mortality, mortality due to HIV/AIDS, high adolescent fertility and unmet need for family planning. The international community cannot be complacent when levels of morbidity and mortality resulting from such causes remain unacceptably high in many parts of the world. It is especially important to ensure that the needs of the most vulnerable populations, including the growing number of young people, are met.

50. The challenge is to mobilize sufficient resources to meet growing needs. This is particularly important given the current global financial crisis. Increased political will and a re-doubling of efforts to generate additional international assistance and increased domestic funding from all sources are urgently needed to accelerate the implementation of the Programme of Action of the International Conference on Population and Development.